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SIPDIS

NS FOR C. BARTON  
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TAGS: [PGOV](#) [MARR](#) [KDEM](#) [VE](#)

SUBJECT: VENEZUELA: THE MILITARY IN GOVERNMENT

Classified By: Political Counselor Abelardo A. Arias for reason 1.4 (d)

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SUMMARY  
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[11.](#) (SBU) At least 180 military officers, both active and retired, currently occupy positions in the Venezuelan government. Some estimates range higher, but this figure reflects Embassy's specific information at this time. Seventy-nine of the 179 are/were in the Army (44%), 25 the Navy (14%), 25 the Air Force (14%), and 22 the National Guard (12%). (We have been unable to determine accurately the remainder's service affiliation.) A fair number occupy elected offices, but the vast majority work in executive ministries, embassies abroad or hold key positions in state companies. Personal ties to President Hugo Chavez seem significant, since fully a quarter of the 180 officers graduated with Chavez or attended the Venezuela Military Academy while he was teaching there; many participated in the two 1992 coup attempts. End Summary.

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MIXING MILITARY WITH THE CIVILIAN  
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[13.](#) (U) President Hugo Chavez speaks often of civic-military relations and the prominent role the military ought to play in his Bolivarian Revolution. Post has examined a variety of sources to discern the number and locations of active and retired military officers in the Venezuelan government. To date, post has knowledge of 180 such officers, though some estimates put the number much higher (note: DAO believes there are easily over 200 active duty and retired military officers working as government officials). The majority of the 180 confirmed military officers in positions of power fall into three categories: executive ministries, Venezuelan diplomatic missions abroad, and state companies.

[14.](#) (U) In executive ministries, 7 ministers (Defense, Food, Popular Economy, Infrastructure, Tourism, Production & Commerce, and Interior & Justice) and 7 vice-ministers are military officers, as well as numerous lower-ranking officials. Particular concentrations of military officers are found in: the Ministry of Infrastructure, with 19, mostly in the National Institute for Aquatic Spaces (INEA); the Ministry of Environment, with 9, all presidents of state institutions or directors of projects; the Ministry of Finance, with 7, including the Director of the National Budget Office and the President of SENIAT, the federal tax institution; and the National Institute of Education Cooperation (INCE), with 4, including the Secretary General.

[15.](#) (U) There are at least 18 retired military officers working in diplomatic missions abroad as ambassadors (11) or consuls. There is a particular concentration in South American countries, but military officers are also in embassies/consulates in Russia, Israel, Malaysia, the Czech Republic, China, South Korea and the United States.

[16.](#) (U) Though their numbers are slightly lower in state companies than in ministries, military officers do hold key positions of power in the country's largest corporations, including an external director and two board members of the state oil company PDVSA; the president of CVG, the country's second-largest corporation; the president of Corpозulia (Zulia state development company) and Carbozulia (coal production operation in Zulia); Director of the Industrial Credit Fund (FONCREI), at least 5 offices in Corpovargas (Vargas state development corporation), including the president; and until recently, one of Citgo's top executives (Note: DAO believes at least another 30 military officers - mostly active duty Army - are heading PDVSA security).

[17.](#) (U) Other military officers in important positions include 2 justices in the Venezuelan Supreme Court (including the President of the penal chamber of the Court) and the Director General of the National Electoral Council (CNE), and the head of the National Defense and Security Council

(CODENA).

18. (U) Elected military Chavistas include 9 of the 23 state governors and 8 deputies in the National Assembly (including its 2nd vice-president). All governors and deputies that are military officers are members of Chavez's MVR political party. Additionally, at least four mayors are former military officers (note: a January 11, 2005 article in the liberal opposition newspaper "El Universal" claims more than 30 mayors are retired military officers).

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FAMILIARITY BREEDS POWER  
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19. (U) Those with personal ties to Chavez through the Venezuela Military Academy are particularly well represented. More than a quarter (45) of known military officers in positions of power in the Venezuelan government and state companies graduated from the Academy either in 1975 or between 1982-1989. (Note: Since post's information concerning graduation years is incomplete, that percentage could be even higher.) President Chavez graduated from the Academy in 1975 and taught at the four-year academy from 1980 through 1984. In addition, a number of Chavez' military supporters have worked with him since he began to plan the overthrow the GOV back in the 1980s, and/or participated in the coup attempts in February and November of 1992.

110. (U) An instructive example of the power of personal ties to Chavez is General (active duty) Carlos Martinez. Martinez graduated with Chavez in 1975, and is concurrently serving as the President of Corpozulia, President of Carbozulia, External Director of PDVSA, and Vice President of a bank in the state of Zulia. Prior to this, he worked in Miraflores Palace as Secretary to the Presidency. Others from the class of '75 include the Minister of Defense, a Vice Minister of Foreign Affairs, a Vice Minister of Interior and Justice, and the Secretary of the National Defense and Security Council (CODENA).

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COMMENT  
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111. (C) The preponderance of the military in the Chavez administration reflects his dependence on the one institution that formed him professionally, where he developed his closest personal relationships, and from where he launched his 1992 coup attempts. It also fits in with his concept of a new Bolviarian revolution. In the six years he has been in power, Chavez has transformed loyalties and bonds into commitments to his revolution. Giving trusted allies authority, and in some cases control of large budgets in an environment almost void of fiscal oversight, ensures loyalists are on the front lines of the Bolivarian Revolution with resources that can be used at their discretion. It also makes it more difficult for the military to boot Chavez out. There is even the added benefit of political enforcement as with the tax service SENIAT - whose president, Jose Vielma, was a student of Chavez at the Military Academy - which has been accused of selectively targeting investigations, including charges by the NGO Sumate of raiding companies as retribution for their support of Sumate (reftel).

112. (C) The military presence in government also fuels speculation about differences among Chavez supporters. The civilian-military split was more pronounced some two or three years ago, when the military side of the Fifth Republic Movement were known by the civilians as the "vampires." That, however, dissipated with the change in the composition of the MVR's central committee favoring civilians in early

12003. The military side, with the exception of those called upon to run for office in October 2004, has been tapped more appointed administrative offices. For his part, Chavez is not shy about calling on the military to participate, casting their role as part of his civic-military vision for the Bolivarian Revolution. This "civil-military alliance" reflects the influence of Peru's Velasco Alvarado as well as Cuba's Castro.

113. (C) The Venezuelan military has never had a reputation for administrative efficiency, and even in the pre-Chavez era was plagued by corruption and favoritism. Corpovargas, with five military officers now in top positions, plainly illustrates the potential for corruption. Created following 40 days of rain and devastating flooding in the state of Vargas in 1999, Corpovargas initially had a budget of \$1.4 billion. However, after just three days of rain in February of this year caused yet more flooding in Vargas, it was revealed that the state company has completed only four of 23 canal projects to date (their ostensible priority), never finished a key road and changed many of the original construction plans to use cheaper, lower-quality materials. No accounting of the funds has yet been brought forth.

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